

**BEFORE THE  
FEDERAL MARITIME COMMISSION**

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**DOCKET NO. 13-05**

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**OCEAN TRANSPORTATION INTERMEDIARY LICENSING AND FINANCIAL  
RESPONSIBILITY REQUIREMENTS, AND GENERAL DUTIES**

**COMMENTS OF SCOTT OGDEN, PRESIDENT OF CARGO-LINK INTERNATIONAL**

I am Scott Ogden – President of Cargo-Link International and NVOCC licensed by the commission.

License Number: 2016 N/F and we currently have one office in Salt Lake City, Utah.

I am familiar with the issues raised by the NPRM and am concerned about these issues mentioned.

I am concerned that the burden to now require additional reporting every three years is something that will not change or better the information that the Commission already has. As companies we are faced with more and more regulatory burdens every year. Any changes of consequence are already required to be reported to the FMC and this just adds one additional responsibility requiring more time and effort to duplicate information that you will already have on hand. This is unnecessary because all OTIs are already required to keep the Commission informed of any changes in their corporate structure, officers and directors, and locations of their headquarters and branch offices. And, if so, the company has complied with that.

- 1. Even if the information is provided online, a renewal process apparently means that someone at the agency will be required to review the data and then renew the*

*licenses, but the Commission has neither the staff nor budget to handle the added burden of doing this every two years for all OTIs.*

- 2. Assuming any additional regulation is really required for this, a much simpler way to ensure that the information is up to date would be to simply require a triennial reporting, rather than license renewal.*
- 3. It is unclear whether any problems the company might have, such as claims by shippers or carriers or the pendency of some investigation by BOE, would jeopardize the license renewal. If so, that puts the company's license at inappropriate risk.*

The requirement for sureties to also provide information regarding any claims also is fraught with possible unnecessary complications for the reasons below:

- 1. Even if not published on the FMC's website, the release of this data, could be very damaging to the company, especially since those claims may have little or no merit.*
- 2. Even with a disclaimer that the Commission is not making any judgment about the veracity of the allegations, any release of this type of information could have an unfair, damaging effect on the company's reputation and would threaten its business and viability.*
- 3. When our company has valid claims against it, either it or its insurance companies pay those claims, so that there has never been an occasion when a claimant has been forced to move against our FMC bond; accordingly, this requirement has little or no relevance to the commercial realities of how business is done.*

The regulation precluding advertising by companies that are not OTI Licensees seems to make sense but would be very hard to enforce. The lines of logistics are so seamless and involve many different parties that may just be one part of an OTI that is actually authorized to attract business for that OTI and they then perform their non-regulated portion of the entire move.

- 1. It is not clear which parties would be covered by the regulation; for example, we might engage any number of third parties to provide some of the services we contract to perform, such as drayage companies, warehouses, railroads, truckers, packing companies, breakbulk and loading agents and even steamship lines. Are they all covered by this advertising prohibition?*
- 2. Many breakbulk agents, sales agents and other types of companies providing a portion of the services for which we contract with our customers represent a number of OTIs but do not themselves actually book cargo or provide all of the functions of NVOCCs or forwarders. It would therefore be very difficult, if not impossible, for them to obtain an OTI license or registration.*
- 3. If the real problem the FMC is addressing relates to companies engaged in moving household goods in the so-called barrel trade, it is not clear why the Commission should be imposing these new regulations on regular, commercial OTIs.*

We do not have branch offices but feel that the requirement to have a \$ 10,000 bond for each branch office is onerous if a small company wants to expand. The elimination of the separate branch office bonds would ease some of the burden on OTIs, as is otherwise necessary to continually amend bonds every time a branch office is added, subtracted or just moves. This can be a time-consuming process.

4. *Our company has never had any claims made against its bond, so the slight reduction in total bond amount would have negligible effect on our customers or other potential claimants.*
5. *As a small company, eliminating these bonds would reduce our cost of operations and make us more competitive.*

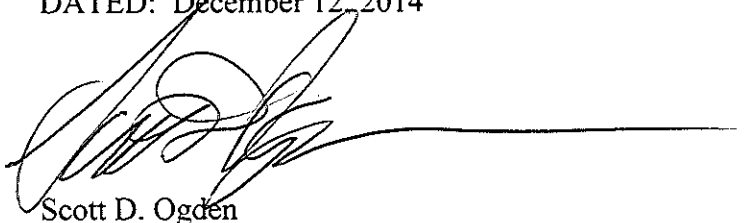
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Some of the more important initiatives I feel the commission should revisit  
are the following:

1. Total elimination of OTI rate tariff publication, so as to avoid any procedural requirements.
2. The elimination of the need for NVOCCs to file NVOCC Service Agreements (“NSAs”) or publish their essential terms.
3. The FMC should require the vessel operators to file their contingency plans with the Commission, which could be posted on the Commission’s website, so that the trade can be advised of those plans in the event there are severe weather or labor issues that could lead to significant service disruptions.
4. The Commission could work with the FMCSA to establish a common bond for OTIs and motor carrier property brokers, which would further reduce the financial burden on intermediaries.

I feel addressing some of these issues are more pressing and ones that put an undue burden on companies big and small. Hopefully the commission can also consider these again in the future.

DATED: December 12, 2014

A handwritten signature in black ink, appearing to read 'Scott D. Ogden', followed by a long horizontal line extending to the right.

Scott D. Ogden

Cargo-Link International